A4950-701 8/51

INFORMATION SYSTEMS STUDY 1990

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Published By:

The Research Department
Food Marketing Institute
1750 K Street, N.W.
Washington, DC 20006

Price:

$20.00 FMI Member
$40.00 Non-member
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The Food Marketing Institute (FMI) is a nonprofit association conducting programs in research, education and public affairs on behalf of its 1,600 members -- food retailers and wholesalers and their customers in the United States and around the world. FMI's domestic member companies operate approximately 19,000 retail food stores with a combined annual sales volume of $180 billion -- more than half of all grocery sales in the United States. FMI's retail membership is composed of large multi-store chains, small regional firms and independent supermarkets. Its international membership includes more than 210 members from over 55 nations.

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EXECUTIVE SUMMARY

The FMI 1990 Information Systems Study provides a detailed look at many important areas in the information systems department of food distribution companies. Certainly, the role of information systems continues to grow in importance. With the historically low profit margins in the grocery business, cost savings through enhancements or changes of "old ways" of doing business become critical. Methods include such things as UCS implementation and the development of new computerized strategies, such as electronic marketing and frequent shopper programs.

The average information systems department employed about 85 people, dropping from last year's average of approximately 94 employees. This was due to the significant decrease in numbers of retail IS employees, with an average of 63 per department. Wholesalers, however, again showed a large gain in the average number of employees reported for the IS department rising from last year's average of 149 to the current 181. Management accounted for 3.5 percent of a typical department's personnel, with systems, operations, and additional support areas making up 31.8, 46.7 and 18.0 percent of the total department respectively.

The typical IS department's budget represents 0.44 percent of the company's net annual sales, with the largest portion allocated to wages and salaries at 36 percent, followed by equipment, employee fringe benefits, and supplies at 29.0, 7.9, and 6.3 percents respectively. Respondents predicted an average 7.54 percent budget increase for the next fiscal year.

Eighty-two percent of the typical company's expense budget is allocated to headquarters and distribution center systems with store systems accounting for the remaining 18 percent.

New applications and major enhancements took up 58 percent of a company's time, with 40 percent devoted to headquarters/distribution center systems and 18 percent to store systems/scanning support. An additional 33 percent went to maintenance and problem solving.

Fifty-one percent of responding companies have formal disaster recovery plans they have reviewed in the past 12 months (67 percent of wholesalers and 48 percent of retailers). Of these companies, 58 percent have remote hot sites, 10 percent have remote cold sites, and 25 percent use a dual site recovery plan. Thirty-nine percent of the companies with disaster recovery plans report testing them in the past six months.

Company involvement in various technologies was examined with several included for the first time. Fifty-one percent of the respondents report limited or advanced implementation of computerized shelf space management, with another 33 percent evaluating or developing it's use.

Direct Product Profit (DPP) use is being evaluated or developed by 37 percent of the companies, while 24 percent report limited or advanced use of this technology.

Computer-assisted reordering is being explored by 51 percent of the companies and limited or advanced use was reported by 13 percent.

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FIGURE 1

Average Number of Information Systems Employees

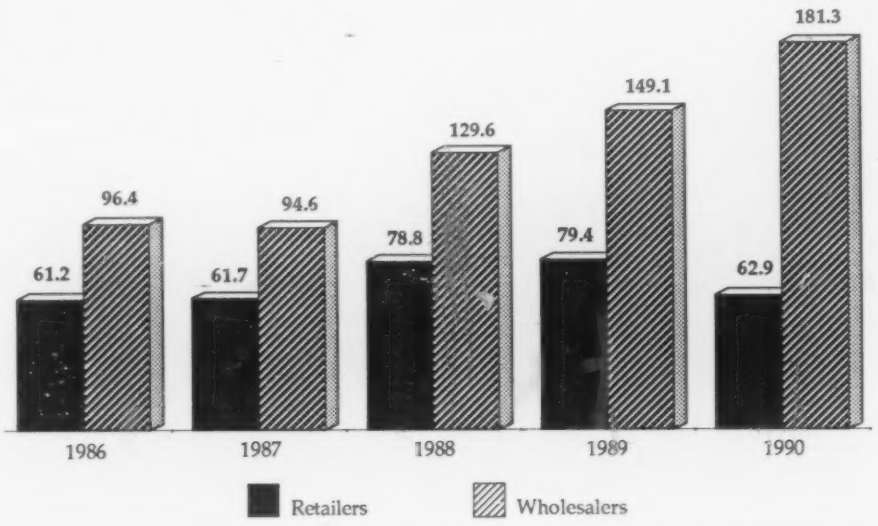
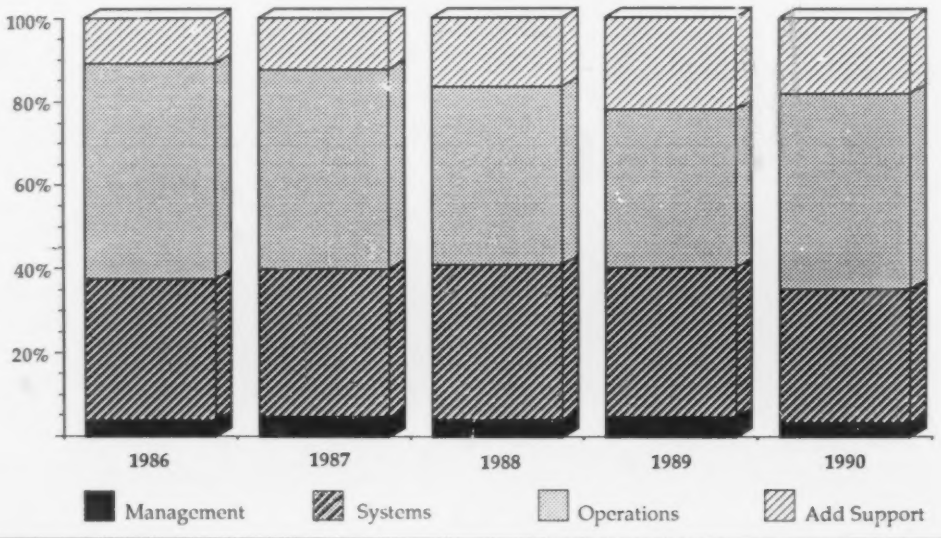


FIGURE 2

Percentage of Information Systems Employees by Job Category



PERSONNEL

During the last four years, the trend has been towards a decreasing percentage of IS department employees working in the operations area. However, this percentage, after declining steadily, from a 1986 high of 51.7 percent to 37.9 percent in 1989, rose to 46.7 percent this year (Figure 2). The percentage of people involved in the remaining three job categories, i.e., IS management, systems and additional support areas, decreased relative to last year's averages. This held true for both retailer and wholesaler companies. Most notably, the percentage of management employees has dropped below the typical 4 to 5 percent range to 3.5 percent -- it's lowest level since 1984.

Table 2 indicates the average number of employees working in the IS department of a typical supermarket company. Between 1985 and 1989, this number had increased 65 percent, from 57.1 to 99.4 people (Figure 1). Interestingly, the 1990 survey finds the average number of employees in an IS department decreasing from 99.4 to 85.4. This decrease is due entirely to the significantly lower average number of employees reported by retailers -- from 79.4 to 62.9 employees between 1989 and 1990. The average employee count for wholesalers, on the other hand, held with the past trend showing a marked increase in numbers from an average of 149.1 to 181.3 employees this year.

Q1. PLEASE PROVIDE THE NUMBER OF EMPLOYEES IN YOUR COMPANY DIRECTLY INVOLVED IN THE INFORMATION SYSTEMS FUNCTION.

TABLE 1-1
PERCENTAGE OF IS EMPLOYEES IN EACH JOB CATEGORY -- ALL COMPANIES

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	79	18	7	14	26	14
IS MANAGEMENT:						
SENIOR MANAGEMENT	1.6	6.9	4.9	3.3	2.4	1.4
GENERAL ADMINISTRATION/ SECRETARIAL	1.9	2.8	2.6	1.6	2.9	1.8
TOTAL MANAGEMENT	3.5	9.7	7.5	4.9	5.3	3.2
SYSTEMS:						
ADMINISTRATION & MANAGEMENT	3.7	6.3	2.2	4.9	4.6	3.5
DATA BASE/DATA ADMINISTRATION	1.4	2.5	1.2	.4	2.2	1.3
PROJECT MANAGEMENT	3.5	1.6	4.1	3.7	2.7	3.6
DEVELOPMENT (ANALYST/ PROGRAMMERS)	22.7	6.8	23.3	22.2	30.6	21.7
OTHER	.6	.6	.6	-	1.3	.5
TOTAL SYSTEMS	31.8	17.8	31.4	31.2	41.4	30.6
OPERATIONS:						
ADMINISTRATION/MANAGEMENT/ SUPERVISION	6.6	3.6	7.3	5.6	4.1	7.0
OPERATIONS	23.4	7.2	18.7	21.9	18.5	24.0
DATA ENTRY EMPLOYEES	10.4	18.1	6.4	10.2	9.3	10.6
OTHER	6.3	-	-	2.0	1.4	7.0
TOTAL OPERATIONS	46.7	28.9	32.4	39.7	33.4	48.5
ADDITIONAL SUPPORT AREAS:						
STORE SYSTEMS SUPPORT	2.4	33.5	6.7	3.0	3.7	2.1

Continued

TABLE 1-1

PERCENTAGE OF IS EMPLOYEES IN EACH JOB CATEGORY -- ALL COMPANIES

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-995	$ 1000-2999	$ 3 BILLION+
SCANNING SUPPORT	2.1	7.1	1.5	3.5	.9	2.2
INFORMATION CENTER	1.3	-	.4	1.6	1.5	1.3
HELP DESK	2.5	-	6.2	1.9	2.3	2.5
DATA SECURITY	.3	-	.1	.6	.5	.2
TRAINING	.2	-	.1	.7	.7	.1
TELECOMMUNICATIONS VOICE	.8	.2	1.4	.1	.8	.8
TELECOMMUNICATIONS DATA	1.6	.1	.9	1.2	2.0	1.5
TECHNICAL SUPPORT/SYSTEMS PROGRAMMERS	4.5	.2	2.0	3.4	4.6	4.5
RETAIL AUTOMATION SUPPORT	1.2	2.3	1.9	4.0	.9	1.2
QUALITY ASSURANCE	.4	-	-	.2	.4	.4
OTHER	.8	-	7.6	3.9	1.6	.6
TOTAL ADDITIONAL SUPPORT	18.0	43.6	28.8	24.2	20.0	17.6

NOTE: DATA WEIGHTED BY 1989 COMPANY SALES

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 1-2

PERCENTAGE OF IS EMPLOYEES IN EACH JOB CATEGORY -- RETAILERS

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	64	18	6	13	19	8
IS MANAGEMENT:						
SENIOR MANAGEMENT	1.3	6.9	5.8	2.7	2.5	1.1
GENERAL ADMINISTRATION/ SECRETARIAL	2.2	2.8	2.7	1.7	2.1	2.3
TOTAL MANAGEMENT	3.6	9.7	8.5	4.4	4.6	3.3
SYSTEMS:						
ADMINISTRATION & MANAGEMENT	4.2	6 3	2.1	5.4	3.1	4.4
DATA BASE/DATA ADMINISTRATION	1.9	2.5	.8	.5	2.2	1.9
PROJECT MANAGEMENT	5.3	1.6	3.8	4.0	3.3	5.7
DEVELOPMENT (ANALYST/ PROGRAMMERS)	26.9	6.8	23.3	23.0	29.4	26.6
OTHER	.7	.6	-	-	1.6	.5
TOTAL SYSTEMS	39.0	17.8	30.1	32.8	39.5	39.1
OPERATIONS:						
ADMINISTRATION/MANAGEMENT/ SUPERVISION	4.9	3.6	7.4	5.5	3.7	5.1
OPERATIONS	20.4	7.2	19.6	20.6	18.2	20.8
DATA ENTRY EMPLOYEES	6.2	18.1	7.0	8.6	10.6	5.4
OTHER	2.8	-	-	2.4	1.6	3.0
TOTAL OPERATIONS	34.3	28.9	34.0	37.1	34.1	34.3
ADDITIONAL SUPPORT AREAS:						
STORE SYSTEMS SUPPORT	3.4	33.5	8.3	2.9	3.8	3.3

Continued

TABLE 1-2

PERCENTAGE OF IS EMPLOYEES IN EACH JOB CATEGORY -- RETAILERS

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
SCANNING SUPPORT	2.1	7.1	1.2	3.0	.9	2.3
INFORMATION CENTER	1.6	-	.5	1.7	1.6	1.6
HELP DESK	4.7	-	6.8	2.1	3.1	5.0
DATA SECURITY	.3	-	.1	.7	.4	.3
TRAINING	.4	-	.1	.8	.9	.2
TELECOMMUNICATIONS VOICE	1.1	.2	.2	.2	1.0	1.1
TELECOMMUNICATIONS DATA	1.9	.1	.3	1.4	2.7	1.8
TECHNICAL SUPPORT/SYSTEMS PROGRAMMERS	5.6	.2	2.8	3.8	4.2	5.9
RETAIL AUTOMATION SUPPORT	1.0	2.3	1.8	4.1	1.3	.9
QUALITY ASSURANCE	.6	-	-	.2	.6	.6
OTHER	.5	-	5.3	4.7	1.2	.3
TOTAL ADDITIONAL SUPPORT	23.1	43.6	27.4	25.6	21.7	23.3

NOTE: DATA WEIGHTED BY 1989 COMPANY SALES

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 1-3

PERCENTAGE OF IS EMPLOYEES IN EACH JOB CATEGORY – WHOLESALERS

	AVERAGE
TOTAL	15
IS MANAGEMENT:	
SENIOR MANAGEMENT	1.8
GENERAL ADMINISTRATION/ SECRETARIAL	1.6
TOTAL MANAGEMENT	3.4
SYSTEMS:	
ADMINISTRATION & MANAGEMENT	3.1
DATA BASE/DATA ADMINISTRATION	1.0
PROJECT MANAGEMENT	1.7
DEVELOPMENT (ANALYST/ PROGRAMMERS)	18.7
OTHER	.5
TOTAL SYSTEMS	24.9
OPERATIONS:	
ADMINISTRATION/MANAGEMENT/ SUPERVISION	8.3
OPERATIONS	26.2
DATA ENTRY EMPLOYEES	14.4
OTHER	9.7
TOTAL OPERATIONS	58.6

	AVERAGE
ADDITIONAL SUPPORT AREAS:	
STORE SYSTEMS SUPPORT	1.4
SCANNING SUPPORT	2.1
INFORMATION CENTER	1.1
HELP DESK	.4
DATA SECURITY	.2
TRAINING	.1
TELECOMMUNICATIONS VOICE	.6
TELECOMMUNICATIONS DATA	1.3
TECHNICAL SUPPORT/SYSTEMS PROGRAMMERS	3.5
RETAIL AUTOMATION SUPPORT	1.4
QUALITY ASSURANCE	.2
OTHER	1.0
TOTAL ADDITIONAL SUPPORT	13.1

NOTE: DATA WEIGHTED BY 1989 COMPANY SALES

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

Q1. PLEASE PROVIDE THE NUMBER OF EMPLOYEES IN YOUR COMPANY DIRECTLY INVOLVED IN THE INFORMATION SYSTEMS FUNCTION.

TABLE 2-1
AVERAGE NUMBER OF INFORMATION SYSTEMS EMPLOYEES BY SIZE AND TYPE OF COMPANY

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	85.4	8.5	19.8	40.0	86.9	259.6
RETAILERS	62.9	8.5	15.9	36.8	82.7	215.9
WHOLESALERS	181.3	0	43.0	82.0	98.3	317.8

NOTE: UNWEIGHTED DATA

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

FIGURE 3

Percentage of Net Company Sales
Budgeted to IS Department

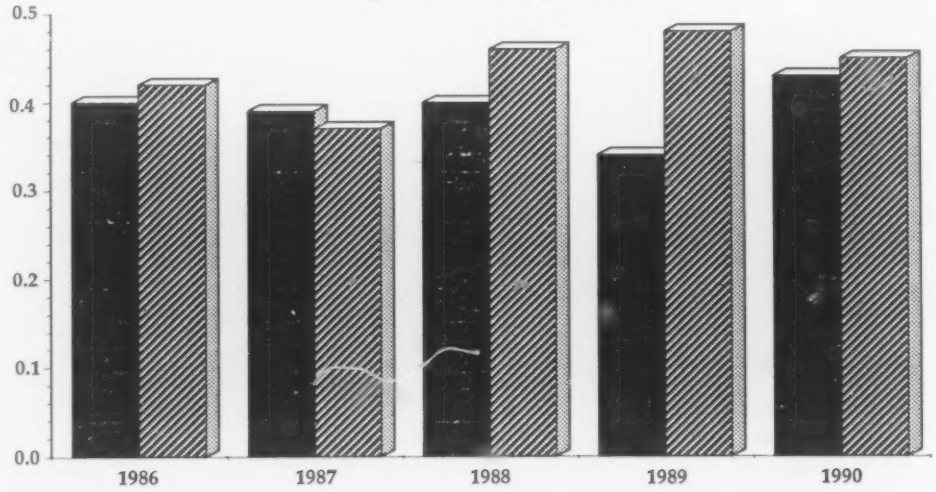
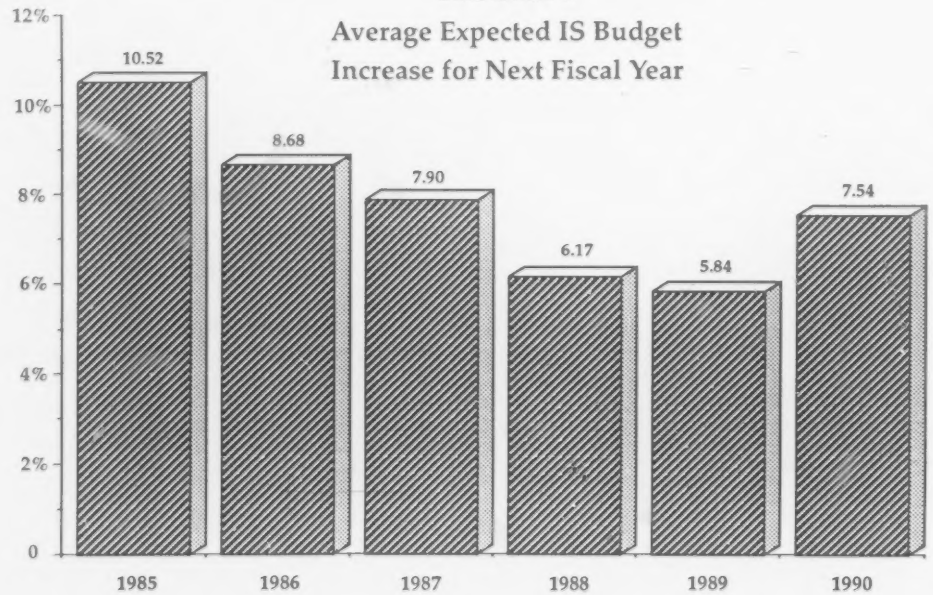


FIGURE 4

Average Expected IS Budget
Increase for Next Fiscal Year



BUDGETS

The average amount allocated to all IS department expenses by responding companies was reported as $8,369,702. This figure represents 0.44 percent of net company sales. This percentage remains within a narrow range defined for IS budgets in recent years (Figure 3).

The average company spent $3,696,399 on employee wages, salaries, and fringe benefits last year. The average amount allocated to salaries and wages, excluding fringe benefits was $3,106,718 (Table 4). As shown in Table 3, these areas account for 36 percent of IS department expenses (38.6 percent for retailers and 33.4 percent for wholesalers). Consistent with the previous three years, the next largest expense areas remain: equipment (28.9), employee fringe benefits (7.9), supplies (6.3), and software (5.9).

An average budget increase of 7.54 percent for the next fiscal year was predicted by all respondents -- an increase over last years expectation of 5.84 percent. This is the first such increase in some time (Figure 4).

Average proportions of IS department budgets allocated to store and headquarters/distribution center systems for all companies surveyed was 18.3 percent and 81.7 percent, respectively (Table 5).

Q2. FOR THIS FISCAL YEAR, PLEASE PROVIDE THE PERCENT OF YOUR TOTAL COMPANY INFORMATION SYSTEMS EXPENSE BUDGET ALLOCATED TO EACH OF THE FOLLOWING AREAS. PLEASE EXCLUDE ALL EQUIPMENT AND MAINTENANCE COSTS FOR IN-STORE SYSTEMS.

TABLE 3-1
PERCENTAGE OF IS EXPENSES IN EACH OF THE FOLLOWING AREAS ** -- ALL COMPANIES

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	58	10	3	10	22	13
WAGES AND SALARIES	36.0	32.8	35.0	41.0	40.6	33.9
EQUIPMENT (RENTAL, MAINTENANCE AND DEPRECIATION)	29.0	42.3	31.7	24.0	25.0	31.0
EMPLOYEE FRINGE BENEFITS	7.9	7.1	5.6	9.5	7.9	7.8
SUPPLIES	6.3	5.8	9.9	10.3	6.5	5.8
SOFTWARE RENTAL, AMORTIZATION, AND PURCHASE	5.9	3.7	4.7	6.3	7.1	5.3
OUTSIDE PROFESSIONAL SERVICES	3.9	1.5	.4	1.2	3.9	4.2
OVERHEAD	2.7	.5	.9	.7	1.5	3.5
DATA COMMUNICATIONS	2.6	.6	2.7	1.6	2.3	2.8
VOICE COMMUNICATIONS	1.0	.1	.2	2.2	.5	1.1
EDUCATION, TRAINING	.8	2.0	.6	.7	.9	.8
DISASTER RECOVERY	.6	.7	1.4	.1	.6	.6
SERVICE BUREAUS	.5	.6	2.2	.5	.4	.5
OTHER	3.0	2.2	4.8	1.9	3.3	2.9

** QUESTION WAS REWORDED AND RESULTS MAY NOT BE COMPARABLE WITH PREVIOUS YEARS

NOTE: DATA WEIGHTED BY IS EXPENSE BUDGET

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 3-2

PERCENTAGE OF IS EXPENSES IN EACH OF THE FOLLOWING AREAS ** -- RETAILERS

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	43	10	2	9	15	7
WAGES AND SALARIES	38.6	32.8	30.6	40.0	43.2	36.2
EQUIPMENT (RENTAL, MAINTENANCE AND DEPRECIATION)	24.9	42.3	24.0	24.9	23.4	25.1
EMPLOYEE FRINGE BENEFITS	8.2	7.1	6.7	8.9	6.6	9.0
SOFTWARE RENTAL, AMORTIZATION, AND PURCHASE	6.1	3.7	10.4	6.6	6.6	5.8
OUTSIDE PROFESSIONAL SERVICES	5.5	1.5	.9	1.4	3.9	7.2
SUPPLIES	4.4	5.8	13.0	10.1	6.3	2.3
DATA COMMUNICATIONS	2.5	.6	2.0	1.7	2.1	2.9
OVERHEAD	2.5	.5	2.0	.8	1.8	3.2
VOICE COMMUNICATIONS	1.2	.1	.3	2.7	.2	1.5
EDUCATION, TRAINING	.9	2.0	1.1	.7	.8	1.0
DISASTER RECOVERY	.8	.7	3.0	.1	.6	.9
SERVICE BUREAUS	.8	.6	4.9	.6	.4	.9
OTHER	3.7	2.2	1.1	1.5	4.1	3.9

** QUESTION WAS REWORDED AND RESULTS MAY NOT BE COMPARABLE WITH PREVIOUS YEARS

NOTE: DATA WEIGHTED BY IS EXPENSE BUDGET

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 3-3
PERCENTAGE OF IS EXPENSES IN EACH OF THE FOLLOWING AREAS ** – WHOLESALERS

	AVERAGE
TOTAL	15
WAGES AND SALARIES	33.4
EQUIPMENT (RENTAL, MAINTENANCE AND DEPRECIATION)	33.2
SUPPLIES	8.3
EMPLOYEE FRINGE BENEFITS	7.6
SOFTWARE RENTAL, AMORTIZATION, AND PURCHASE	5.6
OVERHEAD	3.0
DATA COMMUNICATIONS	2.6
OUTSIDE PROFESSIONAL SERVICES	2.2
VOICE COMMUNICATIONS	.7
EDUCATION, TRAINING	.7
DISASTER RECOVERY	.4
SERVICE BUREAUS	.1
OTHER	2.2

** QUESTION WAS REWORDED AND RESULTS MAY NOT BE COMPARABLE WITH PREVIOUS YEARS

NOTE: DATA WEIGHTED BY IS EXPENSE BUDGET

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

Q3. PLEASE PROVIDE THE FOLLOWING IS EXPENSE BUDGET NUMBERS FOR THIS FISCAL YEAR.

A. DOLLARS OF TOTAL COMPANY EXPENSE BUDGET ALLOCATED FOR IS WAGES AND SALARIES: INCLUDING FRINGE BENEFITS AND EXCLUDING FRINGE BENEFITS.

B. DOLLARS OF TOTAL COMPANY EXPENSE BUDGET FOR ALL IS ITEMS COVERED IN QUESTION 2.

C. PERCENT OF NET FOOD COMPANY SALES BUDGETED FOR THE IS DEPARTMENT FOR THIS FISCAL YEAR.

D. ACTUAL IS DOLLARS SPENT FOR THE MOST RECENTLY COMPILED FISCAL YEAR AS A PERCENT OF NET COMPANY SALES.

E. EXPECTED PERCENT INCREASE IN YOUR BUDGET FOR IS ITEMS IN THE UPCOMING FISCAL YEAR.

TABLE 4-1

BUDGET EXPENSES *** -- ALL COMPANIES

	AVERAGE	TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS) $ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	56	10	3	10	21	12
BUDGET DOLLARS ALLOCATED TO IS DEPARTMENT SALARIES AND WAGES, INCLUDING FRINGE BENEFITS*	3696399	191307	635084	1261702	3136407	10391537
TOTAL	56	9	3	10	21	13
BUDGET DOLLARS ALLOCATED TO IS DEPARTMENT SALARIES AND WAGES, EXCLUDING FRINGE BENEFITS*	3106718	164200	540395	1035083	2699642	7987225
TOTAL	58	10	3	10	22	13
BUDGET DOLLARS ALLOCATED TO ALL IS DEPARTMENT EXPENSES*	8369702	482038	1555781	2567794	6430828	23753757
TOTAL	51	7	2	9	21	12
PERCENTAGE OF NET COMPANY SALES BUDGETED TO IS DEPARTMENT (THIS FISCAL YEAR)**	.44	.41	.32	.76	.46	.40
TOTAL	53	7	3	10	21	12
ACTUAL IS EXPENSE AS A PERCENTAGE OF NET COMPANY SALES (MOST RECENT FISCAL YEAR)**	.42	.43	.14	.72	.45	.38
TOTAL	56	9	3	9	22	13
EXPECTED IS BUDGET INCREASE FOR NEXT FISCAL YEAR**	7.54	7.15	2.74	8.43	9.37	6.71

* UNWEIGHTED DATA

** DATA WEIGHTED BY INFORMATION SYSTEMS EXPENSE BUDGET

*** QUESTION WAS REWORDED AND RESULTS MAY NOT BE COMPARABLE WITH PREVIOUS YEARS

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 4-2

BUDGET EXPENSES *** -- RETAILERS

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	42	10	2	9	14	7
BUDGET DOLLARS ALLOCATED TO IS DEPARTMENT SALARIES AND WAGES, INCLUDING FRINGE BENEFITS*	2742255	191307	396700	1093447	2499447	9662137
TOTAL	41	9	2	9	14	7
BUDGET DOLLARS ALLOCATED TO IS DEPARTMENT SALARIES AND WAGES, EXCLUDING FRINGE BENEFITS*	2278239	164200	315464	906425	2301589	7274145
TOTAL	43	10	2	9	15	7
BUDGET DOLLARS ALLOCATED TO ALL IS DEPARTMENT EXPENSES*	5744471	482038	1047772	2317660	5150112	20283670
TOTAL	37	7	2	8	14	6
PERCENTAGE OF NET COMPANY SALES BUDGETED TO IS DEPARTMENT (THIS FISCAL YEAR)**	.43	.41	.32	.87	.41	.37
TOTAL	38	7	2	9	14	6
ACTUAL IS EXPENSE AS A PERCENTAGE OF NET COMPANY SALES (MOST RECENT FISCAL YEAR)**	.40	.43	.31	.81	.40	.32
TOTAL	41	9	2	8	15	7
EXPECTED IS BUDGET INCREASE FOR NEXT FISCAL YEAR**	8.21	7.15	6.09	9.86	12.19	5.91

* UNWEIGHTED DATA

** DATA WEIGHTED BY INFORMATION SYSTEMS EXPENSE BUDGET

*** QUESTION WAS REWORDED AND RESULTS MAY NOT BE COMPARABLE WITH PREVIOUS YEARS

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 4-3

BUDGET EXPENSES *** -- WHOLESALERS

	AVERAGE
TOTAL	14
BUDGET DOLLARS ALLOCATED TO IS DEPARTMENT SALARIES AND WAGES, INCLUDING FRINGE BENEFITS*	6558831
TOTAL	15
BUDGET DOLLARS ALLOCATED TO IS DEPARTMENT SALARIES AND WAGES, EXCLUDING FRINGE BENEFITS*	5371228
TOTAL	15
BUDGET DOLLARS ALLOCATED TO ALL IS DEPARTMENT EXPENSES*	15895365
TOTAL	14
PERCENTAGE OF NET COMPANY SALES BUDGETED TO IS DEPARTMENT (THIS FISCAL YEAR)**	.45
TOTAL	15
ACTUAL IS EXPENSE AS A PERCENTAGE OF NET COMPANY SALES (MOST RECENT FISCAL YEAR)**	.43
TOTAL	15
EXPECTED IS BUDGET INCREASE FOR NEXT FISCAL YEAR**	6.85

* UNWEIGHTED DATA

** DATA WEIGHTED BY INFORMATION SYSTEMS EXPENSE BUDGET

*** QUESTION WAS REWORDED AND RESULTS MAY NOT BE COMPARABLE WITH PREVIOUS YEARS

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

Q3 F. WHAT PERCENTAGE OF YOUR TOTAL IS BUDGET IS ALLOCATED TO: 1) STORE SYSTEMS, 2) HEADQUARTERS/DISTRIBUTION CENTER SYSTEMS?

TABLE 5-1
PERCENTAGE OF TOTAL IS EXPENSE BUDGET ALLOCATED TO: -- ALL COMPANIES

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	56	10	3	10	21	12
STORE SYSTEMS	18.3	38.3	5.5	17.2	22.1	16.4
HEADQUARTER/DIST. CTR. SYSTEMS	81.7	61.7	94.5	82.8	77.9	83.6

NOTE: DATA WEIGHTED BY INFORMATION SYSTEMS EXPENSE BUDGET

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 5-2
PERCENTAGE OF TOTAL IS EXPENSE BUDGET ALLOCATED TO: -- RETAILERS

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	42	10	2	9	14	7
STORE SYSTEMS	22.6	38.3	12.3	17.1	24.7	22.0
HEADQUARTER/DIST. CTR. SYSTEMS	77.4	61.7	87.7	82.9	75.3	78.0

NOTE: DATA WEIGHTED BY INFORMATION SYSTEMS EXPENSE BUDGET

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 5-3
PERCENTAGE OF TOTAL IS EXPENSE BUDGET ALLOCATED TO: -- WHOLESALERS

	AVERAGE
TOTAL	14
STORE SYSTEMS	13.5
HEADQUARTER/DIST. CTR. SYSTEMS	86.5

NOTE: DATA WEIGHTED BY INFORMATION SYSTEMS EXPENSE BUDGET

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

Q6. DOES THE IS DEPARTMENT HAVE BUDGETARY RESPONSIBILITY FOR:

TABLE 6-1
RESPONSIBILITIES OF IS DEPARTMENT ** -- ALL COMPANIES

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	79	18	7	14	26	14
PERSONAL COMPUTERS	70.9	66.7	71.4	71.4	73.1	71.4
VOICE COMMUNICATIONS	43.0	16.7	42.9	35.7	57.7	57.1
RETAIL SERVICES	41.8	38.9	71.4	42.9	38.5	35.7
WORD PROCESSING	39.2	33.3	42.9	28.6	46.2	42.9
MAIL ROOM	11.4	5.6		14.3	11.5	21.4

** MULTIPLE RESPONSES ACCEPTED

NOTE: UNWEIGHTED DATA

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 6-2
RESPONSIBILITIES OF IS DEPARTMENT ** -- RETAILERS

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	64	18	6	13	19	8
PERSONAL COMPUTERS	70.3	66.7	66.7	69.2	73.7	75.0
VOICE COMMUNICATIONS	42.2	16.7	33.3	38.5	57.9	75.0
WORD PROCESSING	35.9	33.3	50.0	30.8	42.1	25.0
RETAIL SERVICES	35.9	38.9	66.7	38.5	31.6	12.5
MAIL ROOM	12.5	5.6	-	15.4	10.5	37.5

** MULTIPLE RESPONSES ACCEPTED

NOTE: UNWEIGHTED DATA

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 6-3
RESPONSIBILITIES OF IS DEPARTMENT ** -- WHOLESALERS

	AVERAGE
TOTAL	15
PERSONAL COMPUTERS	73.3
RETAIL SERVICES	66.7
WORD PROCESSING	53.3
VOICE COMMUNICATIONS	46.7
MAIL ROOM	6.7

** MULTIPLE RESPONSES ACCEPTED

NOTE: UNWEIGHTED DATA

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TIME ALLOCATION

Table 7 shows the percentage of time allocated to various IS department activities. The average time devoted to new applications and major enhancements for all companies surveyed is 58.4 percent. This includes 40.2 percent for headquarter/distribution center systems and 18.2 percent for store systems and scanning support. Maintenance and problem solving accounted for 32.6 percent of time allocated, with 7.8 percent attributable to internal IS projects.

Q4. WHAT PERCENT OF SYSTEMS DEVELOPMENT ACTIVITY INCLUDING YOUR OWN AND VENDOR TIME IS ALLOCATED TO:

TABLE 7-1
PERCENTAGE OF TIME ALLOCATED TO IS ACTIVITIES – ALL COMPANIES

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	74	17	7	14	23	13
NEW APPLICATIONS/MAJOR ENHANCEMENTS FOR:						
STORE SYSTEMS/SCANNING SUPPORT	18.2	30.5	23.5	18.4	22.0	14.2
HEADQUARTER/DIST. CENTER SYSTEMS	40.2	41.9	29.7	40.1	40.6	40.3
INTERNAL IS PROJECTS	7.8	5.7	9.5	8.9	8.0	7.3
MAINTENANCE/PROBLEM SOLVING	32.6	21.6	37.2	31.3	29.4	35.7
OTHER	1.3	.3	0	1.4	0	2.5

NOTE: DATA WEIGHTED BY TOTAL NUMBER OF SYSTEMS EMPLOYEES

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 7-2
PERCENTAGE OF TIME ALLOCATED TO IS ACTIVITIES -- RETAILERS

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	60	17	6	13	16	8
NEW APPLICATIONS/MAJOR ENHANCEMENTS FOR:						
STORE SYSTEMS/SCANNING SUPPORT	18.5	30.5	33.7	19.4	20.0	15.5
HEADQUARTER/DIST. CENTER SYSTEMS	41.8	41.9	21.3	42.6	43.3	41.1
INTERNAL IS PROJECTS	5.7	5.7	9.2	8.7	6.1	4.4
MAINTENANCE/PROBLEM SOLVING	32.0	21.6	35.7	27.7	30.7	34.8
OTHER	2.0	.3	0	1.5	0	4.2

NOTE: DATA WEIGHTED BY TOTAL NUMBER OF SYSTEMS EMPLOYEES

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 7-3
PERCENTAGE OF TIME ALLOCATED TO IS ACTIVITIES -- WHOLESALERS

	AVERAGE
TOTAL	14
NEW APPLICATIONS/MAJOR ENHANCEMENTS FOR:	
STORE SYSTEMS/SCANNING SUPPORT	17.4
HEADQUARTER/DIST. CENTER SYSTEMS	37.0
INTERNAL IS PROJECTS	11.9
MAINTENANCE/PROBLEM SOLVING	33.7
OTHER	0

NOTE: DATA WEIGHTED BY TOTAL NUMBER OF SYSTEMS EMPLOYEES

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

DISASTER RECOVERY PLANS

Fifty-one percent of all companies surveyed have a formal disaster recovery plan which had been reviewed within the past twelve months (Table 8). This breaks down to 47.6 percent for retailers and 66.7 percent for wholesalers. Generally, the larger the retailer, the more likely it is to have reviewed such a plan in this period (23.5 percent of those companies with annual sales of $50-249 million versus 87.5 percent with sales over $3 billion).

Of those firms reviewing their recovery plans in the past twelve months, 57.5 percent work with a remote hot site, 10 percent use a remote cold site, and 25 percent report having a dual site plan. Other types of disaster recovery plans are used by the remaining 7.5 percent of companies surveyed.

The percentage of companies testing their disaster recovery plan within the last six months is 39.1 percent. This compares to 35.5 percent reported last year and is consistent with the steady increase seen in this area since first reported in 1986 (Figure 5).

Q5a. DO YOU HAVE A FORMAL DISASTER RECOVERY PLAN THAT HAS BEEN REVIEWED IN THE LAST TWELVE MONTHS?

Q5b. WHAT TYPE OF DISASTER RECOVERY PLAN DO YOU HAVE?

Q5c. HAVE YOU TESTED THE DISASTER RECOVERY PLAN IN THE LAST SIX MONTHS?

FIGURE 5

Percent of Disaster Recovery Plans Tested in Last Six Months

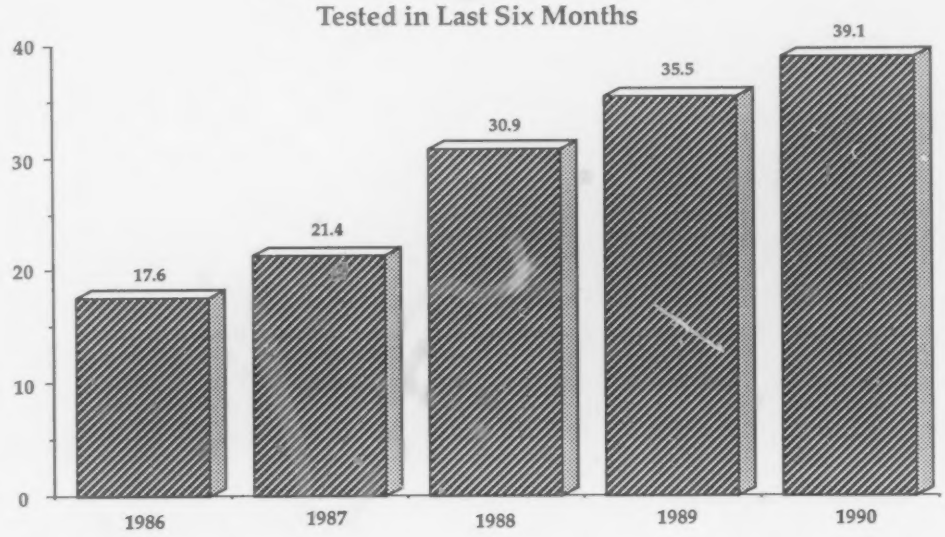


TABLE 8-1

FORMAL DISASTER RECOVERY PLAN – ALL COMPANIES

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	78	17	7	14	26	14
HAVE FORMAL DISASTER RECOVERY PLAN WHICH HAS BEEN REVIEWED IN PAST 12 MONTHS	51.3	23.5	71.4	35.7	53.8	85.7
TYPE OF DISASTER RECOVERY PLAN:						
TOTAL	40	4	5	5	14	12
REMOTE HOT SITE	57.5	75.0	60.0	40.0	50.0	66.7
REMOTE COLD SITE	10.0	25.0	20.0	20.0	-	8.3
DUAL SITE	25.0	-	-	40.0	35.7	25.0
OTHER	7.5	-	20.0	-	14.3	-
TOTAL	69	15	7	14	22	11
DISASTER RECOVERY PLAN TESTED IN LAST SIX MONTHS	39.1	-	28.6	28.6	54.5	81.8

NOTE: UNWEIGHTED DATA

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 8-2

FORMAL DISASTER RECOVERY PLAN -- RETAILERS

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	63	17	6	13	19	8
HAVE FORMAL DISASTER RECOVERY PLAN WHICH HAS BEEN REVIEWED IN PAST 12 MONTHS	47.6	23.5	83.3	30.8	52.6	87.5
TYPE OF DISASTER RECOVERY PLAN:						
TOTAL	30	4	5	4	10	7
REMOTE HOT SITE	60.0	75.0	60.0	50.0	50.0	71.4
REMOTE COLD SITE	13.3	25.0	20.0	25.0	-	14.3
DUAL SITE	20.0	-	-	25.0	40.0	14.3
OTHER	6.7	-	20.0	-	10.0	-
TOTAL	56	15	6	13	16	6
DISASTER RECOVERY PLAN TESTED IN LAST SIX MONTHS	30.4	-	33.3	23.1	43.8	83.3

NOTE: UNWEIGHTED DATA

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

TABLE 8-3

FORMAL DISASTER RECOVERY PLAN -- WHOLESALERS

	AVERAGE
TOTAL	15
HAVE FORMAL DISASTER RECOVERY PLAN WHICH HAS BEEN REVIEWED IN PAST 12 MONTHS	66.7
TYPE OF DISASTER RECOVERY PLAN:	
TOTAL	10
REMOTE LOT SITE	50.0
REMOTE COLD SITE	-
DUAL SITE	40.0
OTHER	10.0
TOTAL	13
DISASTER RECOVERY PLAN TESTED IN LAST SIX MONTHS	76.9

NOTE: UNWEIGHTED DATA

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

EXPERIENCE WITH SELECTED TECHNOLOGIES

Several technologies were included in the survey for the first time this year. Experience levels in shelf space allocation, Direct Product Profit (DPP), and computer-assisted reorder were surveyed.

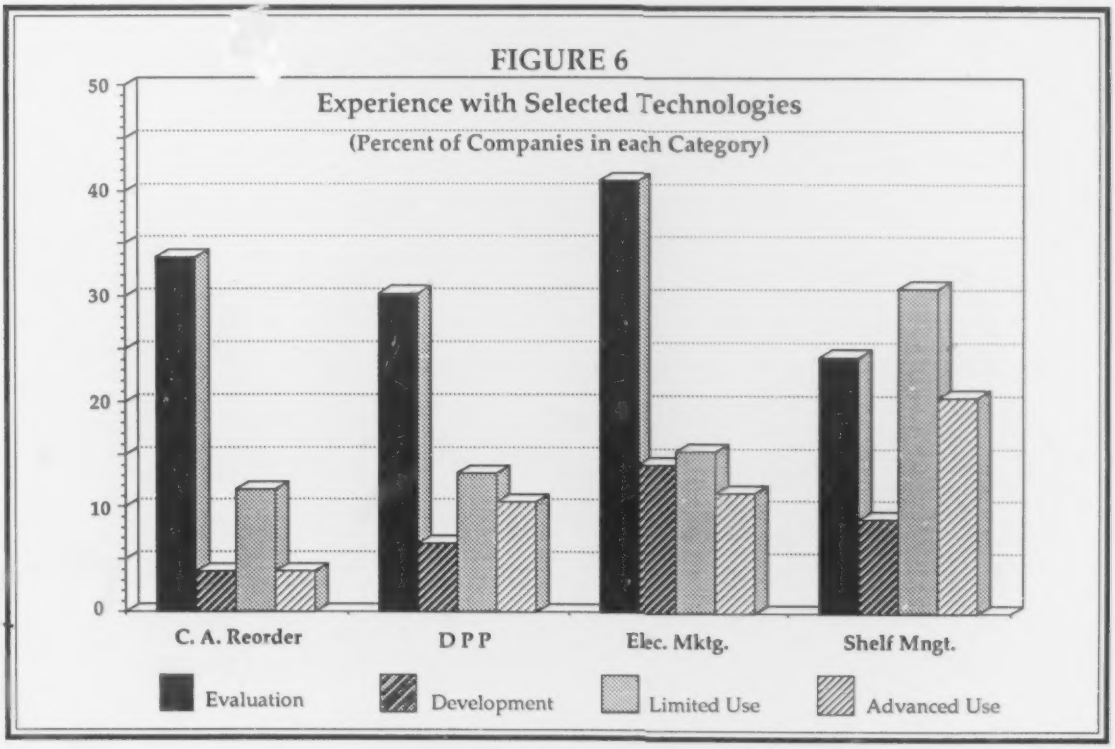
A large number of respondents are involved in computerized shelf space management, with 33.4 percent at the evaluation or development stage and 51.3 percent with limited or advanced use of this technology (Table 9).

Approximately 37 percent of those surveyed indicate evaluating or developing DPP use, with 23.7 percent reporting limited or advanced use of DPP.

Though computer assisted reordering is undergoing evaluation or development by 51.3 percent of companies, only 12.8 percent report implementing this technology. This figure should rise as retailer confidence in the accuracy of scanning data increases.

Twenty-seven percent of respondents report a limited or advanced-use level of involvement in electronic marketing (frequent shopper/electronic couponing). Fifty-five percent of all companies are either evaluating or developing programs in this growing area.

FIGURE 6



Q7. PLEASE CIRCLE THE CORRESPONDING NUMBER IN THE GRID INDICATING THE HIGHEST LEVEL THAT YOUR COMPANY HAS EXPERIENCED FOR THAT TECHNOLOGY AND THE NUMBER OF STORES INVOLVED.

TABLE 9
EXPERIENCE WITH SELECTED TECHNOLOGIES (PERCENTAGE OF COMPANIES RESPONDING IN EACH CATEGORY)

	EVALUATION	DEVELOPMENT	LIMITED USE	ADVANCED USE	NOT APPLICABLE	TOTAL
CUSTOMER OPERATED CHECKOUT	31.2	1.3	3.9	3.9	59.7	77 100.0
COMPUTER ASSISTED REORDER	35.9	15.4	7.7	5.1	35.9	78 100.0
IN-STORE PROCESSING	10.5	11.8	27.6	39.5	10.5	76 100.0
COMPUTER ASSISTED SYSTEMS ENGINEERING (CASE)	33.8	3.9	11.7	3.9	46.8	77 100.0
ELECTRONIC SHELF TAGS	44.9	3.8	2.6	-	48.7	78 100.0
SHELF SPACE ALLOCATION (SPACE MANAGEMENT)	24.4	9.0	30.8	20.5	15.4	78 100.0
ELECTRONIC MARKETING (FREQUENT SHOPPER/ ELECTRONIC COUPONING)	41.0	14.1	15.4	11.5	17.9	78 100.0
EFT SWITCH (IN-HOUSE)	29.3	2.7	4.0	9.3	54.7	75 100.0
EFT/ATM (IN STORES)	19.0	1.3	17.7	32.9	29.1	79 100.0
EFT/ACH/POS (AT CHECKOUT)	29.5	7.7	15.4	16.7	30.8	78 100.0
UCS	21.5	8.9	11.4	25.3	32.9	79 100.0
UCS/DSD	42.1	9.2	9.2	7.9	31.6	76 100.0
DIRECT PRODUCT PROFIT (DPP)	30.3	6.6	13.2	10.5	39.5	76 100.0
BARCODES FOR WAREHOUSE ITEMS	26.0	5.2	10.4	16.9	41.6	77 100.0
EXPERT SYSTEMS	37.2	3.8	9.0	2.6	47.4	78 100.0
SATELLITE COMMUNICATIONS	34.6	3.8	5.1	2.6	53.8	78 100.0
ON-LINE TRAINING	21.8	6.4	15.4	10.3	46.2	78 100.0

NOTE: UNWEIGHTED DATA

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

METHODOLOGY

The FMI Information Systems Study, now in its tenth year, takes a detailed look at the current state of the Information Systems Department in food distribution companies. The 1990 questionnaires were mailed to the vice president of information systems of FMI member companies with annual sales of $50 million or greater. After a follow-up mailing, usable questionnaires were returned by 79 companies. A copy of the questionnaire can be found in the back of this report. Table 10 provides a profile of survey respondents.

The survey results have been tabulated by the size of the company and whether the company is a retailer or a wholesaler. Where appropriate, the reported averages have been weighted by the size of company.

A companion publication, FMI's 1990 Information Systems Directory, is also available. It provides information on hardware, software and systems development activities from over 90 food retailers and wholesalers. This biennial publication may be ordered from FMI's publication sales department.

TABLE 10
NUMBER OF RESPONDENTS BY SIZE AND TYPE OF COMPANY

		TOTAL ANNUAL COMPANY SALES (IN MILLIONS OF DOLLARS)				
	AVERAGE	$ 50-249	$ 250-499	$ 500-999	$ 1000-2999	$ 3 BILLION+
TOTAL	79	18	7	14	26	14
RETAILERS	64	18	6	13	19	8
WHOLESALERS	15	0	1	1	7	6

NOTE: UNWEIGHTED DATA

SOURCE: INFORMATION SYSTEMS STUDY, FOOD MARKETING INSTITUTE, 1990

FMI INFORMATION SYSTEMS STUDY, 1990

Each year, FMI conducts a survey on the information system (IS) activities of member companies. The purpose of the survey is to provide executives responsible for information systems with current statistics that will be helpful in assessing the performance of their own company's operation.

In responding to this survey, please:

- o Answer as many questions as possible.
- o Only include information relating to divisions/departments that are involved with the information systems department.
- o Answer questions using total food company information as opposed to individual divisions, etc.

All data will be held in strict confidence. If you have any questions please call Tim Cochran at FMI at 202-452-8444.

INFORMATION SYSTEMS DEPARTMENT STAFFING

1. Please provide the number of employees in your company directly involved in the information systems function. You may use fractional allocations where appropriate. (Employees listed in Question 1 will typically be part of the IS department/division, not a user group.)

	Number of Employees in Information Systems Department	Totals
IS Administration:		
General Administration/Secretarial		
Senior Management		
Total Management		
Systems:		
Administration & Management		
Data Base/Data Administration		
Project Management		
Development (Analyst/Programmers)		
Other		
Total Systems		
Operations:		
Administration, Management, Supervision		
Operations		
Data Entry Employees		
Other		
Total Operations		
Additional Support Areas:		
Store Systems Support		
Scanning Support		
Information Center		
Help Desk		
Data Security		
Training		
Telecommunications Voice		
Telecommunications Data		
Technical Support/Systems Programmers		
Retail Automation Support		
Quality Assurance		
Other		
Total Additional Support Areas		
TOTAL EMPLOYEES		

2. For this fiscal year, please provide the PERCENT OF YOUR TOTAL COMPANY INFORMATION SYSTEMS EXPENSE BUDGET allocated to each of the following areas. Please exclude all equipment and maintenance costs for in-store systems. (Please give percents as two-digit numbers plus one decimal place, i.e. 12.5%)

Wages and Salaries		___ ___ ___ . ___ %
Employee Fringe Benefits		___ ___ ___ . ___ %
Equipment:	Rental and Lease	___ ___ ___ . ___ %
	Maintenance	___ ___ ___ . ___ %
	Depreciation	___ ___ ___ . ___ %
Software Rental, Amortization/Software Purchase		___ ___ ___ . ___ %
Voice Communications		___ ___ ___ . ___ %
Data Communications		___ ___ ___ . ___ %
Service Bureaus		___ ___ ___ . ___ %
Outside Professional Services		___ ___ ___ . ___ %
Education, Training		___ ___ ___ . ___ %
Supplies		___ ___ ___ . ___ %
Overhead (occupancy, copies, printing)		___ ___ ___ . ___ %
Disaster Recovery*		___ ___ ___ . ___ %
Other		___ ___ ___ . ___ %
TOTAL		1 0 0 . 0 %

* Funds allocated to offsite storage of information and backup computer processing capabilities.

3. Please provide the following IS expense budget numbers for this fiscal year. (Please give percents as three-digit numbers, with at least one digit on each side of decimal point, i.e., twelve percent = 12.0%, one tenth of one percent = 0.10%)

a. Dollars of total company expense budget allocated for IS WAGES AND SALARIES?

Including fringe benefits.....$_____

Excluding fringe benefits.....$_____

b. Dollars of TOTAL COMPANY EXPENSE BUDGET for all IS items covered in Question 2 .....$_____

c. Percent of net food company SALES BUDGETED FOR THE IS DEPARTMENT for this fiscal year... ___.___ ___%

d. Actual IS DOLLARS SPENT for most recently completed fiscal year as a PERCENT of net company sales..... ___.___ ___%

e. EXPECTED PERCENT INCREASE in your budget for IS items in the upcoming fiscal year... ___ ___.___ ___%

f. What percent of your total IS expense budget is allocated to:

A. Store Systems	___ ___ ___.___ %
B. Headquarter/Distribution Center Systems	___ ___ ___.___ %
TOTAL	1 0 0.0 %

g. Would you be willing to provide further details of IS department expenditures? (Circle) Yes 1 No 2

INFORMATION SYSTEMS ACTIVITIES & TECHNOLOGY

4. What percent of systems development activity including your own and vendor time is allocated to New applications/major enhancements for:

Store Systems/Scanning Support	___ ___ ___ %
Headquarter/Distribution Center Systems	___ ___ ___ %
Internal IS projects (research, performance, improvement, CASE technology etc.)	___ ___ ___ %
Maintenance and problem-solving	___ ___ ___ %
Other (please list)_____	___ ___ ___ %
	1 0 0 %

5a. Do you have a formal disaster recovery plan that has been reviewed in the last 12 months?
(Please circle) /1/ Yes (Go to Question 5b) /2/ No (Go to Question 5c)

5b. What type of disaster recovery plan do you have:
A. Remote hot site.../1/ C. Dual site.../3/
B. Remote cold site../2/ D. Other...../4/

5c. Have you tested the disaster recovery plan in the last six months?...../1/ Yes /2/ No

6. Does the IS department have budgetary responsibility for:
Mail Room...../1/ Yes /2/ No
Word Processing...../1/ Yes /2/ No
Voice Communication..../1/ Yes /2/ No
Personal Computers...../1/ Yes /2/ No
Retail Services...../1/ Yes /2/ No

7. PLEASE CIRCLE the corresponding number in the grid indicating the HIGHEST level that your company has experienced for that technology and the number of stores involved.

TECHNOLOGY	LEVEL OF EXPERIENCE: EVALUATION	DEVELOPMENT	LIMITED USE	ADVANCED USE	NUMBER OF STORES (if applicable)	NOT APPLICABLE
Customer Operated Checkout.....	1	2	3	4	___	5
Computer Assisted Reorder.....	1	2	3	4	___	5
In-Store Processing.....	1	2	3	4	___	5
Computer Assisted Systems Engineering (CASE)	1	2	3	4	___	5
Electronic Shelf Tags.....	1	2	3	4	___	5
Shelf Space Allocation (Space Management)	1	2	3	4	___	5
Electronic Marketing (Frequent Shopper/Electronic Couponing)	1	2	3	4	___	5
EFT Switch (In-house).....	1	2	3	4	___	5
EFT/ATM (In Stores).....	1	2	3	4	___	5
EFT/ACH/POS (at Checkout).....	1	2	3	4	___	5
UCS.....	1	2	3	4	___	5
UCS/DSD.....	1	2	3	4	___	5
Direct Product Profit (DPP).....	1	2	3	4	___	5
Barcodes for Warehouse Items.....	1	2	3	4	___	5
Expert Systems.....	1	2	3	4	___	5
Satellite Communications.....	1	2	3	4	___	5
On-line Training.....	1	2	3	4	___	5

GENERAL INFORMATION

8. What are the three highest concerns or issues you, as an MIS executive for your organization, face in the next three years?

A. _____

B. _____

C. _____

9. Is your company primarily (majority of your sales) a food: /__/ Retailer?

/__/ Wholesaler?

10. How many supermarkets (those food stores with at least $2 million annual sales) do you:

a. Operate? _____ Supermarkets
b. Service? _____ Supermarkets

11. What were your company's approximate annual sales in 1989 (please check the proper category)?

Annual Sales:
/__/ $50-$99 Million
/__/ $100-$249 Million
/__/ $250-$499 Million
/__/ $500-$999 Million
/__/ $1,000-$2,999 Million
/__/ Over $3 Billion

Your participation and cooperation is greatly appreciated. A complimentary copy of the completed report will be sent to your attention.

Name: _____

Title: _____

Company: _____

Address: _____

_____

Telephone: _____

Please return questionnaire to:

Tim Cochran
Manager, Research
FMI
1750 K Street, NW
Washington, DC 20006

Business Building Publications

If you need data, facts or background information about key food distribution issues, FMI's research publications may be just what you're looking for. Use the form on the back of this page to order today!

Consumer Attitudes

Trends: Consumer Attitudes & the Supermarket 1990
Price: $25 (members)
$50 (non-members)

The Green Shopping Revolution: How Solid Waste Issues are Affecting Consumer Behavior
Price: $30 (members and non-members)

Dinnertime USA
An overview of the dining at home trend, what's in store for the '90s and how it may affect supermarkets.
Price: $30 (members and non-members)

Food Patterns and Meal Consumption
A four-part study that looks at consumer trends such as meal consumption patterns, convenience and nutrition.
Price: $7.50 each (members and non-members)

Targeting Food Customers
A comprehensive guide to using secondary research for the smaller to mid-size food retailer.
Price: $25 (members)
$50 (non-members)

Shopping a la Cart — the Changing Environment of the Takeout Food Market
Price: $15 (members)
$30 (non-members)

Financial Studies

Operating Results of Independent Supermarkets
Operating results for four types of stores— sales breakouts, labor, space, and inventory productivity and operating costs.
Price: $25 (members)
$50 (non-members)

Annual Financial Review
Contains an income statement and balance sheet for the supermarket industry, calculated on a percentage basis. Also includes key financial rations and a discussion of the effects of legislative and regulatory requirements.
Price: $15 (members)
$30 (non-members)

Supermarket Financial Performance Study
Detailed study of costs involved in operating a supermarket chain plus operating results including productivity measures and financial data.
Price: $25 (members)
$50 (non-members)

Industry Performance

Food Marketing Industy Speaks 1990
Summary of results from five different surveys: retail and distribution center, operations, seafood departments, advertising and health-care issues.
Price: $20 (members)
$40 (non-members)

Detailed Tabulations from "Food Marketing Industry Speaks 1990"
Detailed results from the "Speaks" surveys. Data are delineated by company size, geographic region and other measures as appropriate.
Price: (Includes "Speaks" report)
$25 (members)
$50 (non-members)

Supermarket Pharmacies
Profiles trend data and new issues in pharmacy operations.
Price: $10 (members)
$20 (non-members)

Produce Retailing: Performance and Productivity
An overview of sales and profitability figures for produce departments.
Price: $15 (members)
$30 (non-members)

Strategic Management

Facts About Store Development 1990
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